

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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CITY OF ROSEVILLE EMPLOYEES'	:
RETIREMENT SYSTEM, Derivatively	:
on Behalf of KID BRANDS, INC.,	:
	Civil Action No. 11-cv-2919 (JLL)(JAD)
	ECF Case
Plaintiff,	:
	Electronically Filed
v.	:
BRUCE G. CRAIN, <i>et al.</i> ,	:
	FINDINGS OF FACT,
Defendants	:
	CONCLUSIONS OF LAW AND
-and-	:
	ORDER GRANTING MOTION TO
KID BRANDS, INC., a New Jersey	:
corporation,	:
Nominal Defendant.	:
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This matter having come before the Court by way of a motion to seal pursuant to L. Civ. R. 5.3 by Nominal Defendant Kid Brands, Inc. ("Kid Brands" or the "Company"), through its counsel Skadden, Arps, Slate, Meagher & Flom LLP, seeking to redact references to certain confidential information in (1) Kid Brands' Memorandum of Law in support of its Motion to Dismiss Plaintiff's Amended Shareholder Derivative Complaint and (2) Individual Defendants'

Memorandum of Law in support of their Motion to Dismiss the Amended Complaint; and having reviewed Kid Brand's submissions, the Court makes the following findings of fact and conclusions of law:

1. Kid Brands moves to seal references, in two Memoranda of Law, to certain of its confidential information. Kid Brands provided this information to Plaintiff City of Roseville pursuant to a Non-Disclosure Agreement. Plaintiff has already redacted references to such information in its Amended Complaint.

2. The references sought to be sealed comprise (i) the board's communications with its auditor, (ii) descriptions of the board's discussions regarding the Company's financial statements, (iii) deliberations over commercially sensitive financial information of the Company, (iv) confidential internal company-emails that were reviewed as part of Kid Brands' private and confidential internal investigation and (v) non-public audit materials prepared by independent auditors KPMG LLP and Ernst and Young LLP.

3. Kid Brands had every expectation that such information would remain non-public in order to foster the utmost frankness in deliberations of the matters at issue and in the management of its business.

4. A Declaration submitted by Kid Brands' Corporate Secretary and General Counsel dated May 4, 2012, (ECF No. 41-1), in connection with a prior

motion to seal in this case attested to the confidential nature of the materials described above.

5. Kid Brands would be seriously injured if its confidential information were permitted to become public because such disclosure would (1) place Kid Brands at a competitive disadvantage in the marketplace and (2) have a chilling effect on internal company deliberations.

6. Kid Brands has a keen interest in maintaining the confidentiality of its non-public internal business information.

7. The public has no interest in the confidential information that would preclude the relief sought herein.

8. There is no less restrictive alternative to protect Kid Brands' confidential information because Kid Brands and the Individual Defendants must refer to such materials in their respective memoranda, and because Kid Brands only seeks to seal the portions of those documents containing references to its confidential information.

9. Plaintiff has agreed to consent to the granting of Kid Brands' motion to seal.

### Conclusions of Law

1. Kid Brands has demonstrated that good cause exists to grant its motion to seal.

2. Kid Brands has shown that it has complied with the requirements of L. Civ. R. 5.3(c)(2).

In light of the above findings of fact and conclusions of law, and there being no opposition to the motion, and good cause having been shown,

IT IS on this 23<sup>rd</sup> day of AUG-, 2013,

ORDERED that Kid Brands' motion, (ECF No. 91), is granted; and it is further

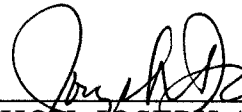
ORDERED that Kid Brands' may redact all references to the confidential information in its Memorandum of Law in support of its Motion to Dismiss the Amended Complaint; and it is further

ORDERED that the Individual Defendants may redact all references to the confidential information in their Memorandum of Law in support of their Motion to Dismiss the Amended Complaint; and it is further

ORDERED that Kid Brands shall publicly file a redacted version of its Memorandum of Law in support of its Motion to Dismiss the Amended Complaint; and it is further

ORDERED that the Individual Defendants shall publicly file a redacted version of their Memorandum of Law in support of their Motion to Dismiss the Amended Complaint; and it is further

ORDERED that Kid Brands and the Individual Defendants shall electronically file, under seal, unredacted versions of their Memoranda of Law in support of their respective Motions to Dismiss the Amended Complaint.



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HON. JOSEPH A. DICKSON  
UNITED STATES MAGISTRATE JUDGE